

**WORKING DRAFT**  
 Constituents' Submissions – Specific Comments Table 6  
 Exposure Draft 02/10: APES 230 Financial Advisory Services

**Note: General comments relating to APES 230 Financial Advisory Services are addressed in a separate table. This table excludes minor editorial changes.**

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
1	4.2  4.3	CONFP	<p>As written, I believe that the provision is too open to subjective determination and could be proven against a member who in fact has taken measures 'in good faith' to attain the 'best outcome' for a client: a preferred wording would include the following:-                      "(a) exercise the utmost good faith to put the client's best interests ahead of all other considerations and interest in the relationship; and"                      I believe the provision would be enhanced by adding words so that it would then read:-                      "Where a Member exercising professional judgement identifies an actual, potential, or perceived threat to the member's fiduciary responsibility to the Client, the member shall ....(continuing as currently drafted)."                      Note also the recommendation for further words to be added to the definition of 'Acceptable Level' above.</p>
2		JR	<p><b>Fiduciary duty</b> - we fully support the move to an explicit fiduciary duty being imposed upon the providers of financial advice towards their clients. As accountants providing financial advice, this has always been our primary duty. However, we do not consider that an asset-based fee is inconsistent with fulfilling a fiduciary duty. On the contrary, an inherent risk in a time-based fee model is that a client may prevent their best interests being the dominant driver of advice by seeking to cut costs and not receive important advice. As discussed above, we believe that an incentive exists within time-based fees for member firms to generate advice that is not in the best interest of the client in an effort to increase fees, hence contravening the premise of acting within a fiduciary duty.</p>
3		MS	<p>Fiduciary obligations that are imposed upon a financial advisor when providing a Financial Advisory Service to a client arise due to:</p> <ol style="list-style-type: none"> <li>a) The inequality of the relationship between a financial advisor and client in terms of professional knowledge, skill and experience;</li> <li>b) The control that a financial advisor has over the professional information and advice provided to a client;</li> <li>c) The ability and opportunity for a financial advisor to significantly influence a client as a result of the position set out in (a) and (b) above; and</li> <li>d) The dependence and vulnerability of a client in relation to their financial advisor.</li> </ol> <p>When determining whether fiduciary obligations have been breached, consideration must be given to whether profit and conflict rules have been contravened. Where a fee is calculated as a percentage of a portfolio's sum, based on factors such as:</p> <ul style="list-style-type: none"> <li>• complexity;</li> <li>• degree of difficulty;</li> <li>• professional knowledge;</li> </ul>

Exposure Draft 02/10: Proposed Standard: APES 230 Financial Advisory Services

Item No.	Paragraph No. in Exposure Draft	Respondent	Respondents' Comments
			<ul style="list-style-type: none"> <li>• skill and expertise;</li> <li>• responsibility;</li> <li>• risk;</li> <li>• time; and</li> <li>• resources</li> </ul> <p>but is fully disclosed to and accepted by a client there can be no breach of the profit and conflict rules.</p> <p>*this paragraph is repeated in Specific Comments – Paragraph 9 Fee for Service*</p> <p>Asset based fees are not inconsistent with a fiduciary duty where a client provides fully informed consent to the amount and method of charging. In fact this method clearly aligns the goals of an investor (to increase the value of their investments) with that of their adviser who will receive a small fraction of that increase.</p> <p>1) Accountant planners placed at a competitive disadvantage</p> <p>It is our opinion that by expecting more from your members than the Federal Government expects of non-members, you are placing your members at a commercial disadvantage that is prejudicial to their professional practice and could be anti-competitive and commercially damaging.</p> <p>2) Imposition of prescribed fee models</p> <p>In a competitive market customers should be given a choice as to whether a fee for service remuneration model or some other remuneration model is used provided that the remuneration model is consistent with current legislation. The mandatory requirements of APES 230, in relation to a fee for service model, reduce customer choice with no corresponding benefit to customers.</p> <p>3) “Fee for Service” and “Commission” require clarification</p> <p>It is our view that the definition of “Commission” provided in APES 230 is very broad and encompasses almost all payments made to advisors (including payments from financial planning licensees to their planners). In our view, “Commission” should be defined as amounts paid by product providers to planners (or their AFS licensee) out of their own resources (i.e. not out of client funds) for putting clients into (or for keeping them in) their product (i.e. for services provided by the planner to the product provider – not for services provided by the planner to the client).</p> <p>The definition of “Fee for Service” is also not clear and it is uncertain whether accountant planners can continue to receive commission as the prohibition relates only to “charging” clients in a particular manner (an adviser does not charge “commission” in the true meaning of that term – it is paid by product providers to planners or their AFS licensee).</p>
4		PU	<p>At paragraph number 4 the standard is prescriptive in its determination of what constitutes a fiduciary relationship. As you would know, currently the Federal Government is considering this very same issue. To introduce this standard now, with what amounts to a pre-emptive definition of a fiduciary relationship, may prove to be the source of unwanted and unnecessary confusion within the profession when potentially a different definition is later adopted by Government.</p>

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5		Deloitte	<p><b>1. Fiduciary Relationship</b></p> <p>Where a Member provides financial advice to a Client, the ED asserts that there is a fiduciary relationship between the Member and their Client. Based on the ED, this relationship will apply to all advice (both general and personal) provided by the Member. In contrast the FoFA, which also has the concept of a fiduciary relationship between Financial Advisors and their clients, limits the relationship to circumstances where Financial Advisors provide “personal advice” to “retail clients”.</p> <p>In our opinion it is not appropriate to impose a fiduciary duty under which a Member would be required to consider the Client’s best interests when providing “general” advice. General advice by definition cannot be specific to a Client’s particular circumstances. For example where general financial product advice is provided for the benefit of a large group of users (such as potential investors in the case of a prospectus), it is impracticable and not appropriate for financial advisors to be held to have a fiduciary relationship with such users. Furthermore, we are concerned that the ED proposes that the fiduciary duty would extend to advice given to “wholesale clients”. Wholesale clients by their nature are sophisticated and therefore, do not need to be afforded the same level of protection as “retail clients”.</p> <p>We do not believe that it is the role of a professional standard to impose or seek to define fiduciary responsibilities. This is a matter for the courts to determine. We note to date that the courts have generally emphasised the need to examine the specific nature of the relationship in order to determine whether that relationship is one where a fiduciary duty would exist. However, as there is currently no statutory fiduciary obligation imposed on financial advisors generally under the Corporations Act 2001 (“the Act”), the courts have avoided finding the existence of a fiduciary duty in circumstances where the parties have agreed otherwise.</p> <p>In <i>Pilmer v The Duke Group (in liq) &amp; ors</i> (2001)<sup>1</sup>, the High Court held that the accountant/client relationship does not, of itself, impose fiduciaries duties upon the accountants. Whether an accountant or financial advisor is subject to a higher duty (fiduciary duty) to their client will depend on the circumstances of the relationship, the terms of the retainer and the position of the client.</p> <p>In <i>ASIC v Citigroup</i> (2007)<sup>2</sup>, the court held that, even though the nature of the relationship would have strongly pointed towards the existence of a fiduciary relationship, the letter of engagement expressly disclaimed a fiduciary relationship. As such, there was no fiduciary relationship.</p> <p>We also note that the Government has indicated its intention to impose a statutory duty on financial advisors as part of the FoFA reforms. In defining the precise nature of such a statutory fiduciary duty, the Government has indicated it will consult with stakeholders both on the “best interests” of clients and on the “reasonable steps” that an advisor must take to discharge their fiduciary duty.</p> <p>We consider that the ED should not seek to broaden any fiduciary duty of financial advisors beyond that which applies under current law ahead of the Government’s proposed reforms in this area. Accordingly we recommend paragraphs 4.1 and 4.2 should be deleted and appropriate amendments made to other sections (including paragraph 9.1) of the ED.</p>

<sup>1</sup> 180 ALR 249 (HCA)

<sup>2</sup> ASIC v Citigroup Global Markets Australia Pty Ltd (No 4)[2007]FCA 963

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			<p>In addition, we do not support the introduction of a “fiduciary duty” as currently proposed and believe any such duty should be consistent with that proposed under the FoFA.</p>
6		AFAC	<p><b>INTRODUCTION &amp; EXECUTIVE SUMMARY</b></p> <p>However, AFAC has some fundamental concerns with Exposure Draft APES 230, including the following:</p> <p>APES 230 introduces fiduciary duty obligations in a manner which pre-empts the very important fiduciary duty obligations being proposed by Government, and which are still being fully defined. Financial advisers already have fiduciary duty obligations to clients, and the Government has proposed that these responsibilities be codified in the Corporations Act, with a shift from a negative fiduciary duty obligation test to a positive obligation. There are important definitional issues to finalise. We submit that APES 230 inappropriately pre-empts this process, and may result in a fiduciary duty obligation different to that defined in the Corporations Act. This is also likely to result in unnecessary confusion which can be easily avoided.</p> <p><b>2.2. Objective of Exposure Draft APES 230</b></p> <p><i>[Technical Staff Note - the following dot point is repeated in Specific Comments – Table 7]</i></p> <p>The broad intent and objective of APES 230 – i.e. quality, objective and professional financial advice – is to be applauded. Unfortunately, the objective of quality, objective and professional financial advice is poorly translated into the drafting of APES 230, including the following:</p> <p>Inclusion of components in this standard which do not properly reside within APES 230 (e.g. fiduciary obligations, professional independence) – these principles or standards are either covered elsewhere in the accounting professional standards (e.g. in APS 12) or are currently subject to Government determination (e.g. the precise positive fiduciary duty obligation to be incorporated into the Corporations Act)</p> <p><b>2.7. Emerging Legal Position</b></p> <p><b>Financial Advisers Under a Fiduciary Duty</b></p> <p>In most situations financial advisers, whether accountant based financial advisers or general financial advisers, will owe a fiduciary duty to act in the best interests of their client for the “purposes of and within the scope of the retainer.” The duty to act in the best interest in this sense does not create a positive duty to act in the client’s best interest but rather requires that the adviser must not obtain an unauthorised profit from the client and not be in a position of conflict. This is known as the profit rule and the conflict rule.</p> <p>The characteristics which give rise to fiduciary obligations owed by accountant based financial advisers to clients include the inequality of the relationship between the financial adviser and the client in terms of expertise and specialised knowledge the financial adviser has over the client; the control over the information to the client; the ability to significantly influence the client’s decisions and the dependence of vulnerability of the client in reliance of the financial adviser.</p> <p>Where a fiduciary duty exists this requires the financial adviser to take care not to breach the profit rule or the conflict rule and where there is a breach the financial adviser must then account for any profits or compensate for any losses arising from the breach.</p>

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			<p><b>3. DETAILED COMMENTS</b></p> <p><b>3.1. Fiduciary Duty</b></p> <p>From a legal perspective most retail client situations will give rise to a fiduciary duty between the financial adviser and the client. AFAC also agrees that financial advisers are under a fiduciary obligation when dealing with their clients and understands the government proposes to formally introduce this obligation as part of its Future of Financial Advice (FOFA) reforms.</p> <p>The following characteristics highlight the fiduciary nature of the relationship and thus the fiduciary obligations that are imposed upon an accountant when providing a Financial Advisory Service to a client.</p> <ol style="list-style-type: none"> <li>1. The inequality of the relationship in terms of professional knowledge, skill and experience.</li> <li>2. The control of the professional information and advice provided to the client.</li> <li>3. The ability and opportunity to significantly influence the client as a result of the position set out in (1) and (2) above.</li> </ol> <p>The dependence and vulnerability of the client in reliance upon the accountant/financial advisor.</p> <p>Given all that is set out above, the law requires that the financial adviser must act in the best interests of their client for the purposes of the relationship. Best interests in this sense does not create any positive obligating to act in the client's best interest but requires that the accountant must not obtain any unauthorised benefit from, and not be in a position of conflict as a result of the professional relationship with the client. This is known as the profit rule and the conflict rule and is central to the fiduciary obligation owed to the client and enforceable in a Court of Equity.</p> <p><b>4. MEMBER VIEWS – Synopsis of Survey Results [Technical Staff Note - Please see survey detailed results in Appendix]</b></p> <p>The full survey results are covered in AFAC's full submission to the APESB. These comprise of 272 responses from accountant financial planners across the AFAC dealer groups.</p> <p>Some interesting highlights are:</p> <p>Polarised results on whether APES 230 goes beyond what is required under fiduciary duty (roughly equal agreement and disagreement)</p>
7		SPAA	<p>Comments provided by SPAA are predicated on the assumption that key elements of the Government's future of financial advice reforms will apply from 1 July 2012. These key elements are:</p> <p>The introduction of a statutory fiduciary duty for financial advisors requiring them to act in the best interests of their clients and to place the interest of their clients ahead of their own when providing personal advice to retail clients.</p>
8		MSC	<p><b>Confidential submission</b></p>
9		GB	<p>Fiduciary duty – I have grave reservations about the draft changes. As a member of FPA and The Institute of Chartered Accountants in Australia I believe that I operate clearly within established fiduciary bounds already, but that APES 230 seeks to extend the concept of that duty to be descriptive of what fee arrangements a client may prefer to adopt with me. Whilst I typically do charge a set and agreed discrete service fee, there are clients for whom an asset based fee is preferred. From a traditional fiduciary viewpoint this is not a problem, as the</p>

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10		PWC	<p>2. Fiduciary Relationship</p> <p>2.1 The ED asserts that:</p> <p style="padding-left: 40px;">“where a member provides a Financial Advisory Service, a Fiduciary Relationship will exist between the member and the Client<sup>1</sup>.”</p> <p>2.2 This is the first APESB pronouncement to refer to accountants being in a fiduciary relationship in any context, and we are not aware of any predecessor pronouncement that asserts the existence of such a relationship. We understand that the suggestion is based on Government statements concerning proposed legislative reform of the financial planning industry but the Government itself has acknowledged that more work needs to be done in order to fully articulate the scope and content of the duty. As such, it very much remains work-in-progress.</p> <p>2.3 It is most unusual for legislation to impose or create a fiduciary duty and relationship (that in inherently common law) between parties. Whether this is appropriate at all will be the subject of detailed submissions to the Federal Government and, we expect, considerable debate in relation to the proposed legislation.</p> <p>2.4 We are of the strong view that for the standard to assert a fiduciary relationship ahead of the legislation invokes uncertainty as to whether the huge body of law relating to fiduciaries applies to accountants (for example, the so-called “no profit rule” where a fiduciary may not profit from its fiduciary position without the beneficiary’s consent). It also muddies the waters as to how remedies for breaches of duty would apply (for example, account of profits, compensatory damages etc). This is against the backdrop of courts being reluctant to impose fiduciary duties on accountants at all unless the context specifically dictates otherwise<sup>2</sup>.</p> <p>If however, the duty is ultimately codified within legislation, we would expect it to provide an opportunity to limit the scope of the fiduciary relationship and clarify the consequences of a breach.</p> <p>2.5 We note also that members may need to examine their insurance arrangements to determine whether they hold cover (or sufficient cover, as the case may be) for a breach of a fiduciary relationship, given the focus to date has been on professional negligence. The proposed fiduciary duty is significant for accountants and their insurers because:</p> <ul style="list-style-type: none"> <li>• The amounts awarded for breach of fiduciary obligations may be greater given fiduciary obligations “are more onerous (and the legal consequences more drastic) than those arising from common law duties of care or from contractual relationships”<sup>3</sup>.</li> </ul>

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			<ul style="list-style-type: none"> <li>The limitation period is longer</li> <li>It is possible that notions of contributory negligence do not apply<sup>4</sup>.</li> </ul> <p>2.6 We strongly believe it is not appropriate for such complex relationships to be sought to be imposed or created at the standard level. The potential for unintended consequences of introducing this concept into a standard is too high, and there appears little need to refer to it in order to achieve the objectives of the standard.</p>
11		WHK	<p>Set out below are the key aspects that WHK wishes to comment with respect to APES 230. WHK is a member of Accountant Financial Adviser Coalition (AFAC) and has also been working with the Mid-Tier Accounting companies on APES230.</p> <p><b>1. Fiduciary Duty</b></p> <p>We agree that financial advisers are under a fiduciary obligation when dealing with their clients. However, we are concerned about the approach taken in APES 230 in seeking to address this issue through, inter alia, the approach to defining “Fee for Service”. Our concerns include the exclusion of percentage based asset fees and remuneration based on the accumulation of funds under management and alignment to the FOFA reforms.</p> <p>A key principle in considering fiduciary duty and remuneration is whether the profit and conflict rules have been breached. Where a fee characterized as a percentage of a portfolio’s cum, but nevertheless arrived at by reference to such factors as complexity, degree of difficulty, professional knowledge, risk, time and resources, is fully disclosed to the clients, as well as accepted by the client we would contend there is no breach of the profit and conflict rules. Furthermore, asset based fees (when agreed by the client) create a clear alignment in that both the adviser and the client are focused on the client’s portfolio performance being positive.</p> <p>Additionally, we believe that attempting to define a fiduciary duty ahead of proposed FOFA reforms is premature, and may result in a number of unintended consequences.</p> <p><b>Recommendation: We recommend that APES 230 should not seek to define a financial adviser’s fiduciary duty ahead of the FOFA reforms. We believe it would be better to understand the Government’s changes and to seek consistency between the Government changes and what is proposed under APES 230.</b></p>
12		GT	<p><i>[Technical Staff Note - The following paragraph repeats in Specific Comment – Table 4]</i></p> <p>The ‘<b>Fiduciary Relationship</b>’ definition and application needs to be further considered as there does not necessarily need to be restrictions on remuneration, particularly when it is acceptable industry and business practice to charge on say a commission, asset basis, referral, and success fees by way of example, which have not been subject to any adverse public criticism, and consequently is not part of the proposed FoFA legislative response.</p>
13		ISN	<p><b>Fiduciary Responsibilities of Members</b></p> <p>ISN is supportive of the imposition of a fiduciary standard on accountants providing financial advisory services to clients. In particular, ISN believes that it is desirable to be clear that this requires accountants to put the client’s interests first and to disclose any actual, potential or</p>

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			<p>perceived conflict of interest, and to avoid or minimise to an acceptable level any actual or potential threat to the accountant's objectivity or professional independence caused by personal or business relationships.</p> <p>ISN is particularly supportive of combining the imposition of a fiduciary standard with regulation of remuneration related conflicts. Unlike a fiduciary duty under general law where remuneration related conflicts can be overcome by gaining the informed consent of the client, in the area of financial advice, it is broadly accepted that clients are generally not capable of providing "informed consent". The finding of the PJC summarises this view concisely:</p> <p>There are also limits as to the usefulness of disclosure, however clear and concise, in an environment where clients have already committed in their mind to their trusted adviser's chosen strategy.<sup>1</sup></p> <p>In the relationship between accountant and client, which is typified by a significant knowledge asymmetry and generally an ongoing and trusting relationship, disclosure of remuneration related conflicts are an insufficient measure to ensure that advice is unbiased. In the face of the current industry practices, it is critical that the APESB's standards specifically require that remuneration related conflicts be avoided altogether.</p>
14		APPC	<p><b>Comments on the ED</b></p> <p>The APPC commends the APESB for being proactive in undertaking work on a replacement for APES12 and for its contribution to the public policy debate on appropriate professional and ethical standards with respect to financial advisory services.</p> <p>We are however aware of a number of concerns within the accounting profession and the broader financial advisory services industry with regard to some elements of the ED.</p> <p>These include (but are not limited to):</p> <p>Fiduciary responsibilities of Members</p> <p>The law of fiduciary duties is far from straightforward. The courts have not been precise regarding the situations and circumstances where one person will owe a fiduciary duty to another and on the whole have tended to look at the facts in question in determining whether a fiduciary relationship exists in specific circumstances. It is also important to distinguish those obligations that are of a fiduciary nature from those that are not in any given relationship.</p> <p>The ED at paragraph 4.1 however state that "Where a member provides a Financial Advisory Service, a Fiduciary Relationship will exist between the Member and the Client."</p> <p>We believe that it is not appropriate for the ED to assert the existence of a fiduciary relationship between a member and client in this way. Reliance instead should be placed on the substantial body of existing law in this area on the meaning and nature of the relationship between parties and their established responsibilities.</p> <p>We also note that the Federal Government had indicated its intention to impose a statutory duty on financial advisers as part of the FoFA reforms. In defining the precise nature of such a statutory fiduciary duty, the Government has indicated it will consult with stakeholders both on the "best interests" of clients and on the "reasonable steps" that an adviser must take to discharge their fiduciary duty.</p>

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			<p>The FoFA proposal also limits this relationship to circumstances where financial advisers provide “personal advice” to “retail clients”. In our opinion it is not appropriate to impose a fiduciary duty under which a member would be required to put the client’s best interests ahead of their own when providing “general” advice. General advice by definition cannot be specific to a client’s particular circumstances and in our opinion it would be premature for the APESB to impose a fiduciary duty that is otherwise not recognised by the law.</p> <p>We consider that the ED should not seek to broaden any fiduciary duty of financial advisers beyond that which applies under current law ahead of the Government’s proposed reforms in this area. Accordingly paragraphs 4.1 and 4.2 should be deleted and appropriate amendments made to other sections (including paragraphs 4.5 and 9.1) of the ED.</p>
15		KPMG	<p>Description of Fiduciary responsibilities</p> <p>We submit that the inclusion of the term “Fiduciary Relationship” in the definition section and the inclusion of clause 4 on Fiduciary Responsibilities are unnecessary given the body of law that exists in this area as to the meaning and nature of the relationship and established responsibilities.</p> <p>We recommend removal of this definition and the corresponding clause 4 of the Proposed Standard which adds little to the extensive obligations that already exist at law which may create more confusion and unnecessary additional obligations.</p>
16		PPA	<p>Fiduciary duty - we fully support the move to an explicit fiduciary duty being imposed upon the providers of financial advice towards their clients. As accountants providing financial advice, this has always been our primary duty. However, we do not consider that an asset-based fee is inconsistent with fulfilling a fiduciary duty. On the contrary, an inherent risk in a time-based fee model is that a client may prevent their best interests being the dominant driver of advice by seeking to cut costs and not receive important advice.</p>
17		PB	<p><b>Fiduciary responsibilities of Members</b></p> <p>A fiduciary relationship gives rise to a higher standard of care and duty than one based in statute or contract. The Joint Accounting Bodies support the concept that Members providing financial advice have a fiduciary responsibility to their Clients. However we are concerned this inclusion may have unintended consequences.</p> <p>There is evidence that the duties of a financial planner already include certain fiduciary obligations, evidenced by both case law and the fact the Financial Ombudsman Service (FOS) often refers ‘to the investor relationship as in financial planning as fiduciary’ in their determinations. The elements of a fiduciary relationship however are not currently articulated in legislation, but rather are embedded in common law.</p> <p>APES 230 ED does not provide sufficient discussion or detail on the actual expectations of this requirement. For example, what constitutes the ‘Client’s best interests’ is ambiguous and open to interpretation. Further, whilst paragraph 4.5 demonstrates that the level of action required by the Member to discharge their fiduciary duty varies depending on the circumstances, it fails to provide any guidance on what this may entail. This is of concern given that FOS and the courts may look to this standard for guidance and make their own interpretation as to what this may mean.</p>

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			<p>The Joint Accounting Bodies raise the issue as to whether it is appropriate to directly link fiduciary responsibilities to a specific remuneration model. For example, it is possible that in certain circumstances fee for service remuneration may not be in the client's best interests.</p> <p>The Government's <i>Future of Financial Advice</i> reforms also include a proposal to introduce a statutory fiduciary duty on all Australian Financial Services Licensees and their authorised representatives to act in the best interests of their Clients. The Government has advised that this will include a 'reasonable steps' qualification that must be undertaken to discharge this duty. While what will constitute 'best interests' and 'reasonable steps' is still to be developed in consultation with industry, we understand that it will be detailed and provide licensed financial planners with a clear message of what will be expected. It is also possible that the Australian Securities and Investments Commission (ASIC) will provide further guidance to demonstrate what will be expected from both licensees and their representatives. Even without this detail, the Government has advised it will not expect a financial adviser to make an assessment of every product available in the market in order to act in the 'Client's best interests'.</p> <p>There is also a risk that the fiduciary duty being proposed for Members in APES 230 may conflict with what will become their statutory fiduciary duty once it is defined and implemented by Government.</p> <p>Taking into consideration these concerns the Joint Accounting Bodies recommend that the definition of <b>Fiduciary Relationship</b> and any other references be removed from the standard in order to avoid any unintended consequences.</p> <p><b>Recommendation:</b></p> <ul style="list-style-type: none"> <li>• <b>The definition of Fiduciary Relationship and any other references be removed from the standard to avoid unintended consequences of introducing a fiduciary duty that is not clearly defined and may possibly conflict with Member's statutory fiduciary duty once implemented.</b></li> </ul>

**Staff Instructions**

- Comments of a "general" nature should be dealt with first, followed by paragraph specific comments.
- Respondents' comments must be copied verbatim into this table.
- Comments should be dealt with in paragraph order, not respondent order.
- Use acronyms only for respondents. Update the attached table with details of additional respondents.

**RESPONDENTS**

1	CFP	Crossing Financial Partners
2	DMJ	Daniel Mendoza-Jones
3	DFG	Davidson Financial Group
4	LBA	Lockhart Business Advisors
5	FFA	Fitzpatricks Financial Advisers
6	ORT	Ortmanns Pty Ltd
7	CRA	Cooper Reeves Accountants
8	SG	Surbal Group
9	SD	Shane Dumbrell
10	RMFA	Roberts & Morrow Financial Services P/L
11	FFP	Forsythes Financial Planning Pty Ltd
12	FAA	Forum Accounting & Advisory
13	FMFS	FM Financial Solutions
14	RIA- MR	Roskow Independent Advisory - MR
15	RIA - NS	Roskow Independent Advisory - NS
16	BIA	Brocktons Independent Advisory
17	IFAAA	IFAAA
18	NEX	Nexia Court Financial Solutions Pty Ltd
19	CONFP	Continuum Financial Planners
20	HPW	Hewison Private Wealth
21	DMR	DMR Corporate Pty Ltd
22	AP	Advantage Partners
23	PMHFP	Port Macquarie Hastings Financial Planning Pty Ltd
24	CFS	Colonial First State
25	MFS	Managed. Financial Strategy
26	JR	Johnston Rorke
27	MS	Moore Stephens
28	KEN	Kennas
29	QPPC	Qld Public Practice Committee
30	GBWW	GBW Wealthcare
31	RT	Roland Tan

32	SCT	Strategic Consulting & Training Pty Ltd
33	PPA	Pitcher Partners Advisory Pty Ltd
34	CFPL	Curran Financial Pty Ltd
35	MHGL	McPhail HLG Financial Planning
36	FERB	Ferguson Betts
37	WB	William Buck
38	DFP	Direction Financial Planning
39	PU	Peter Uhlmann
40	BAG	Bosco Accounting Company Aust Ltd
41	GB	Greg Blaskett
42	PWC	PwC Australia
43	LFM	Landmark Financial Management Pty Ltd
44	KHFG	KH Financial Group
45	FPAA	Financial Planning Association of Australia Limited
46	DELOITTE	Deloitte Touche Tohmatsu
47	BG	Bongiorno Group
48	WHK	WHK Group Limited
49	KCA	Kothes Chartered Accountants
50	AMP	AMP Financial Services
51	AFAC	Accountant Financial Adviser Coalition
52	SPAA	SMSF Professionals' Association of Australia
53	Count	Count Financial Limited
54	MSC	Confidential Submission
55	CNIC	Cutcher & Neale Investment Services
56	FTS	Financial & Technical Solution Limited
57	GT	Grant Thornton Australia Limited
58	SHRB	Suzanne Hadden & Robert M. C. Brown
59	NCA	Noble Chartered Accountants
60	ISN	Industry Super Network
61	PB	The Joint Accounting Bodies
62	APPC	Australia Public Policy Committee
63	KPMG	KPMG
64	EY	Ernst & Young

Constituents' Submissions – Specific Comments Table 6

**Exposure Draft 02/10: Proposed Standard: APES 230 Financial Advisory Services**

65	FSC	Confidential Submission
66	ASIC	Confidential Submission